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# U.S. and Cairo Friendlier, Sort of...

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CAIRO, Jan. 8—American-Egyptian relations began the New Year in a wedding atmosphere that appropriately included something old, something new, something borrowed, something blue.

Borrowed and new was a long-awaited \$55-million aid agreement signed last Monday, the first major deal between Washington and Cairo since the crisis in their relations last winter.

Old and blue—in mood—was the espionage trial of Mustafa Amin, one of the Arab world's most popular and successful journalists, charged by Egyptian security services with spying for the C.I.A. His trial, held in secret in the squat mosque-shaped building where President Nasser ruled Egypt during his early days in power, was the final legacy of the earlier, more troubled times.

The most surprising sign of the new friendship was Washington's request that the U.A.R. act as a protecting power for American military prisoners held by North Vietnam.

Nonetheless, the terms of the new aid agreement suggested that the new honeymoon is beginning with a more down-to-earth and less naively optimistic approach than the previous effort at cooperation attempted by the Kennedy Administration in the early nineteen-sixties. These were the stiffest terms Washington has yet offered Cairo and requires new negotiations six months hence. Perhaps symbolically the Egyptians have for their part deferred announcing the final verdict in the Amin case.

Deputy Premier Abdel Moneim Kaissouny, the U. A. R.'s top economic expert, caught the expectant but not overconfident mood when after signing the aid deal, he turned to the American Ambassador and remarked, "Let's always hope for the best."

The signing of the aid agreement and the windup of the espionage trial completed a year-long effort by both Governments to recover from the crisis of Christmas, 1964, when Mr. Nasser taunted Washington by publicly acknowledging Egyptian arms shipments to Congolese rebels and telling the United States to take its economic aid and "go drink seawater," the Egyptian government said.

"Jump in the lake." Angered by the speech and the previous burning of the American Embassy library, Congress retaliated by suspending American aid to Cairo last February.

## Cooperation

Yet almost immediately, and unseen at first, a handful of Egyptian and American officials set about to heal the breach. They worked together to reopen the embassy library. Mr. Nasser stopped sending arms to the Congo rebels and eventually denied them a propaganda forum in Egypt.

Vitriolic anti-American editorials and cartoons began disappearing from the Cairo press. American businessmen stopped worrying about impending Government control and found themselves being encouraged to expand their activities.

Probably most important to Washington, Mr. Nasser publicly agreed last August with King Feisal of Saudi Arabia to make peace in Yemen. This meant withdrawing his army from a campaign which numerous American Congressmen and officials felt was being directly supported by American economic aid. Indeed, there were occasional reports that some American food was unloaded from American ships in Alexandria and later put on Egyptian vessels bound for Yemen.

In the slowly improving pattern of relations last summer, the Amin case came as a jolt and puzzle to American officials. Mr. Amin was arrested in the company of Bruce Odell, a C.I.A. man working at the United States Embassy, less than a month after President Johnson had authorized the renewal of suspended American aid shipments to Egypt.

American officials acknowledged that for years they had been talking with Mr. Amin, a strongly pro-Western and anti-Communist editor. They understood his contacts with Western diplomats were approved by Mr. Nasser. It was explained that the C.I.A.'s contact with such influential Egyptians was a natural outcome of the deep-freeze that Egyptians put on embassy officials after the State Department pulled the United States out of the Aswan High Dam project.

C.I.A. to keep up Egyptian contacts, it was said.

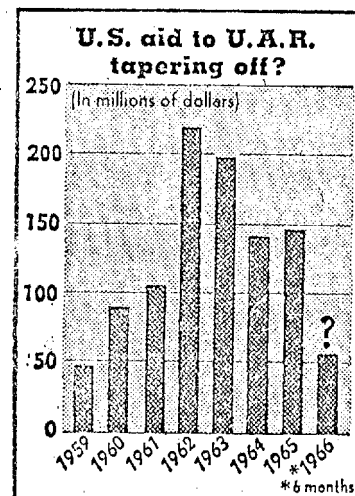
To some Egyptians Mr. Amin's arrest was equally disturbing. Incredible about the charges of espionage, they saw the case as a warning not to be too chummy with Westerners, especially Americans. Others considered the case "a good card" for Cairo to play in

The new aid deal itself shows growing sophistication in Washington's dealings with the U.A.R. The six-month, \$55-million aid package differs markedly from previous agreements in three important respects: It is much smaller, it is for a shorter term, and it requires the U.A.R. to make one-fourth of the repayment in American dollars, whereas previously repayment was entirely in Egyptian pounds to be used inside Egypt.

## Political Use of Aid

Many in Washington had come to feel that the old agreement, which ran for three years, had enabled Mr. Nasser to undertake campaigns opposing American interests and which he could ill afford economically. Cairo's deep involvement in Yemen with cross-border air raids on Saudi Arabia and its arms shipments to the Congo rebels were prime examples cited.

The first serious test of Washington's new-found cooperation with Cairo may already be looming in Yemen. Although Mr. Nasser and King Feisal signed a peace compact last August, they could not induce their proxies, the Yemeni Republicans and Royalists, to make a conclusive peace among themselves in December. Cairo is also piqued at King Feisal for buying \$400-million of American and British arms while making friends with that old Egyptian enemy, the Shah of Iran.



negotiations with Washington. Indeed, developments in the Amin case were closely timed with progress toward the new aid agreement.

In November, 48 hours after Mr. Nasser received advance notice of President Johnson's approval for new aid negotiations, Egypt published the formal indictment against Mr. Amin. The severity of the charges and the demand for the death sentence surprised and angered some American officials who thought they had arranged for a quiet disposition of the case.

As the aid negotiations drew toward a close Mr. Amin went on trial. He pleaded innocent, while the United States and the C.I.A. involvement in the case went unmentioned publicly both in the courtroom and in the controlled Egyptian press. The trial ended just a couple of hours before the aid agreement was signed.

Clearly, Cairo was trying to avoid antagonizing Washington. But at the same time Mr. Nasser was showing the rest of Africa and the Arab world that he could not be "bought off" by more American aid.